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**Testimony in Support of Raised Bill 6550
An Act Concerning Medicaid Coverage for Smoking Cessation
March 15, 2011**

Senator Musto, Representative Tercyak and members of the Committee:

My name is Dr. Pat Checko. I am Chairman of the statewide MATCH Coalition (Mobilize Against Tobacco for Connecticut's Health). MATCH strongly support this bill to provide comprehensive smoking cessation services to Connecticut's Medicaid clients, including counseling and all medications approved by the FDA. As you know MATCH played a major role in originally encouraging passage of the law to authorize coverage for such treatment in 2002.

The prevalence of tobacco use among adults in Connecticut has decreased by half since the 1960s, but not for low-income populations, such as Medicaid enrollees, who continue to smoke at over twice the rate of the general population (36% vs. 16%) and suffer the health consequences at a higher rate. There are currently 183,050 adult Medicaid clients aged 19-64 (Feb 2010) and about 66,000 of them (36%) are smokers. Like most smokers, they would like to quit.

Years of evaluation have proven that Smoking Cessation Programs are effective. On average, 27.6 % of smokers who receive both counseling and medications are able to quit. Despite this, Connecticut remains only one of three states in the U.S. that do **not cover any smoking cessation treatments** for Medicaid clients beyond the newly required federal requirement for pregnant women.

Connecticut's total annual health care costs associated with smoking are nearly \$2 billion in 2008 dollars. The associated health care costs for Medicaid recipients who smoke is more than \$507 million in 2008 dollars, costs primarily borne by Connecticut taxpayers.

Medicaid cessation is a proven success. For example, Massachusetts offers a Medicaid cessation benefit that includes all FDA-approved medications to quit smoking and behavioral counseling. According to a recent pilot study of the benefit, 40% of smokers in Medicaid took advantage of the services (75,000 people). Over the two-year study period, 33,000 smokers quit leading to a 26% decline in smoking prevalence. In addition, the yearly rate of hospital admissions for heart attacks fell by 46% for Medicaid clients and 49% for hospitalizations for other coronary complications.

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The identified return on investment for the ~22,000 Medicaid patients studied was two to one for each dollar spent. This savings did not include additional savings from other hospitalizations, decreased emergency room and in-patient visits, or, long-term savings resulting from reduced cancers.

Governor Malloy has included funding for this benefit in his proposed budget. And earlier this month, the DSS Pharmaceutical and Therapeutics Committee passed a motion to recommend that all prescription treatments for smoking cessation be added to the Preferred Drug List.

The cost to treat an acute heart attack is about \$50,000. The cost of smoking cessation treatment is less than \$500.

Currently Connecticut's total annual health care costs associated with smoking are nearly \$2 billion in 2008 dollars. Of these costs over \$507 million were for Medicaid recipients; costs primarily borne by Connecticut taxpayers. The American Legacy Foundation estimated that within five years, Connecticut would see annual Medicaid savings of \$91 million (2005 dollars) with a 50 percent decrease in smoking rates, and \$18 million (2005 dollars) annually in Medicaid savings with a ten percent reduction in smoking.

Based on the experience in other states, there could be 4,500 – 7,250 fewer Medicaid clients annually if a comprehensive smoking cessation benefit is implemented. It's a win-win proposition; it saves lives and money.

I have provided you with additional materials regarding the Mass Health Program and the benefits of quitting. There is also a letter of support signed by a number of our partners.

Benefits of Tobacco Use Cessation

Health Benefits

Currently in Connecticut, an estimated 429,500 adults (15.9%) and 43,000 middle and high school students (20.8%) smoke. Seventy percent of all smokers want to quit and over 50% try to quit every year. (CT BRFSS, YTS)

Tobacco use accounts for 30% of all cancer deaths and 82% of all lung cancer deaths, as well as 86% of all emphysema deaths and 40% of coronary heart disease deaths. Quitting smoking reduces the risk of cancer and other diseases, such as heart disease and COPD, caused by smoking. People who quit smoking are less likely than those who continue to smoke to die from smoking-related illness:

- **Quitting at age 30:** Studies have shown that smokers who quit at about age 30 reduce their chance of dying prematurely from smoking-related diseases by more than 90 percent
- **Quitting at age 50:** People who quit at about age 50 reduce their risk of dying prematurely by 50 percent compared with those who continue to smoke.
- **Quitting at age 60:** Even people who quit at about age 60 or older live longer than those who continue to smoke.
- On average, a smoker can add 13-15 years onto his or her life by quitting. (CDC)

Quitting smoking also reduces exposure of others to secondhand smoke and the toxins associated with environmental tobacco smoke. This is particularly important in the home where children are most exposed to secondhand smoke and a major location of secondhand smoke exposure for adults. Almost 60 percent of U.S. children aged 3-11 years—or almost 22 million children—are exposed to secondhand smoke. Former smokers' children have less risk for asthma attacks and related emergency room visits.

Voices for Children reported that pregnant Connecticut women on Medicaid (HUSKY A and fee-for-service) were more likely to smoke than all other pregnant mothers giving birth in 2005. Among Medicaid mothers, 15.5% of HUSKYA mothers and 6.5% of fee-for-service mothers smoked compared to 2.7% of all other mothers who smoked. Successful treatment of tobacco dependence can achieve a 20% reduction in low birth weight babies, a 17% decrease in preterm births, and an average increase in birth weight of 28 grams. According to the American College of Obstetricians and Gynecologists, a woman is more likely to quit smoking during pregnancy than at any other time in her life.

Medicaid cessation is a proven success. Massachusetts offers a Medicaid cessation benefit that includes all FDA-approved medications to quit smoking and behavioral counseling. A recent study of the benefit reported that 40% of smokers in Medicaid took advantage of the services (75,000 people). Over the two-year study period, 33,000 smokers quit. In addition, the yearly rate of hospital admissions for heart attacks fell by 46% for Medicaid clients and 49% fewer of them were hospitalized for other coronary complications.

Smoking Cessation Programs are effective. According to the DHHS Clinical Practice Guidelines (2008), 27.6 % of smokers who receive both counseling and medications are able to quit. There are currently 183,050 adult Medicaid clients aged 18-64 (DSS 2/10) of whom almost 66,000 (36%) are smokers. If 25% of them used the smoking cessation benefit, there would be about 4,500 fewer Medicaid smokers each year, based on this quit rate. If the program was as successful as the Mass Health program and reached 40% there would be over 7,000 fewer smokers.

Economic Benefits

Currently a pack of cigarettes in Connecticut costs \$7.85 with state and local taxes. A one-pack per day smoker will spend \$2,865.25 annually for cigarettes. Cost for a week's worth of cigarettes is \$55 vs. \$13-23 for seven days of nicotine replacement therapy. A pack-a-day smoker who successfully quits will save about \$240 dollars every month.

Tobacco use treatment is more cost-effective than such commonly provided clinical preventive services as mammography, PAP tests, colon cancer screening, treatment of mild to moderate hypertension, and treatment of high cholesterol. In a 2008 study, the state of Florida reported that "the ratio of benefits to cost varies from \$1.90 to \$5.75 saved per dollar spent on smoking cessation programs, depending on the type of intervention.

Under the Health Reform Act, all states will be required to provide smoking cessation benefits for pregnant women, effective October 2010. Massachusetts reported 17% fewer claims for adverse maternal birth complications since benefit was implemented; claims fell from 31.1 to 25.7 per 1,000 benefit users.

Medicaid cessation is a proven success. Massachusetts offers a "barrier-free" Medicaid cessation benefit that includes all FDA-approved medications to quit smoking and behavioral counseling. A recent study of the benefit reported that 40% of smokers in Medicaid took advantage of the services (75,000 people). Over the two-year study period, 33,000 smokers quit. In addition, the yearly rate of hospital admissions for heart attacks fell by 46% for Medicaid clients and 49% fewer of them were hospitalized for other coronary complications. Emergency department visits for asthma symptoms decreased from 22.7 to 18.7 per 1,000 benefit users in the first year after individual access to the benefit.

The projected number of reduced hospitalizations in the first two years after using tobacco cessation medications was calculated. Average cost of hospitalization were derived from tables developed by the Healthcare Utilization Project and are based on national figures. The average hospitalization costs are \$54,412 for heart attack and \$48,692 for coronary atherosclerosis.¹ The total savings was calculated as \$10,153,077.

From July 2009 through November 2010, 6,590 smokers used the services of the CT Quitline, the statewide, telephone smoking cessation program offered through the Department of Public Health. The Quitline offers behavioral counseling (up to 5 sessions) and Nicotine Replacement Therapy (NRT). Medicaid clients accounted for 54.9% of all participants, while 21.6% reported being uninsured. At 7-month follow-up, 28% of all participants reported they had not smoked in the last month, and at 13 months 26% were not smoking.

The cost to treat an acute heart attack is about \$50,000. The cost of smoking cessation treatment is less than \$500.

Currently Connecticut's total annual health care costs associated with smoking are nearly \$2 billion in 2008 dollars. Of these costs over \$507 million were for Medicaid recipients; costs primarily borne by Connecticut taxpayers. The American Legacy Foundation estimated that within five years, Connecticut would see annual Medicaid savings of \$91 million (2005 dollars) with a 50 percent decrease in smoking rates, and \$18 million (2005 dollars) annually in Medicaid savings with a ten percent reduction in smoking.

¹ Hospital costs based on Healthcare Utilization Project estimates, accessed 12/8/2010: <http://www.hcup-us.ahrq.gov/reports/statbriefs/sb42.jsp>

MassHealth Tobacco Cessation Benefit

Outcomes and Return on Investment

Background

Massachusetts Medicaid (MassHealth) adopted comprehensive coverage of tobacco cessation medications for all members in July 2006 as part of Massachusetts health care reform.

Outcomes

Smoking prevalence decreased 26% in the first 2.5 years from 38.3% to 28.3%.¹ Use of the tobacco cessation pharmacotherapy benefit was associated with a 46% annual decrease in hospitalizations for acute myocardial infarction and a 49% annual decrease in hospitalizations for coronary atherosclerosis.² Based on these findings, a short-term return on investment analysis was conducted by the Massachusetts Tobacco Cessation and Prevention (MTCP) Program.³

Medical Savings Calculation

The projected number of reduced hospitalizations in the first two years after using tobacco cessation medications was calculated (81 for reduced heart attacks and 118 for reduced coronary atherosclerosis events).⁴ Average cost of hospitalization were derived from tables developed by the Healthcare Utilization Project and are based on national figures. Based on these figures, the average hospitalization costs is \$54,412 for heart attack and \$48,692 for coronary atherosclerosis.⁵ The total savings was calculated as \$10,153,077.

Medical Cost Calculation

The cost of providing tobacco cessation medications was based on MassHealth utilization data. The cost for the 21,656 subscribers followed in the study was \$4,521,665. An additional \$558,500 cost was added for the cost of MTCP to promote awareness of the benefit among health care providers and Medicaid members. The total cost for these 21,656 subscribers alone was \$5,080,165.

Return on Investment

Medical savings from reduced hospitalizations for heart attacks and coronary atherosclerosis in the first two years was an estimated \$10.2 million for the study population. The cost of tobacco treatment medications and promotion was \$5.1 million. Therefore, the net savings was \$5.1 million, or \$2.00 return for every dollar spent. This calculation does not include cost savings beyond 2 years and only includes savings from inpatient heart attacks and coronary atherosclerosis in the first two years after the first use of a tobacco cessation medication.

¹ Land T, Warner D, Paskowsky M, Cammaerts A, Wetherell L, et al. (2010) Medicaid Coverage for Tobacco Dependence Treatments in Massachusetts and Associated Decreases in Smoking Prevalence.

² Land T, Rigotti NA, Levy DE, Paskowsky M, Warner D, et al. (2010) A Longitudinal Study of Medicaid Coverage for Tobacco Dependence Treatments in Massachusetts and Associated Decreases in Hospitalizations for Cardiovascular Disease. *PLoS Med* 7(12): e1000375. doi:10.1371/journal.pmed.1000375

³ MTCP plans to conduct a return on investment analysis on all MassHealth inpatient and ambulatory hospitalizations in consultation with a health economist and biostatistician from the University of Massachusetts Medical School.

⁴ In the year prior to using the benefit, 21,656 MassHealth subscribers had 70 hospitalizations for heart attacks and 95 hospitalizations for atherosclerosis. Hospitalizations that occurred within 56 days of first medication use were excluded. Cost savings were calculated for 21,656 included in the study.

⁵ Hospital costs based on Healthcare Utilization Project estimates, accessed 12/8/2010: <http://www.hcup-us.ahrq.gov/reports/statbriefs/sb42.jsp>



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Make smoking history.



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CONNECTICUT SUPPORTS Funding Comprehensive Smoking Cessation for Medicaid Clients

All Medicaid recipients should have access to comprehensive smoking cessation therapies. Such programs would not only save lives, but also provide significant savings to Connecticut's Medicaid program. Based on the experience of other states, we estimate that there would be about 4,500 fewer smokers annually. The MATCH Coalition believes the time for action is now – and so do our members and partner organizations who have signed on to this letter.

- Connecticut's total annual health care costs associated with smoking are nearly \$2 billion in 2008 dollars (CT Public Health Policy Institute, 2010). Of these costs over \$507 million were for Medicaid recipients; costs primarily borne by Connecticut taxpayers.
- Although smoking rates have dropped dramatically over the last 10 years, Connecticut Medicaid recipients continue to smoke at over twice the rate of the general population (36% vs. 16%). There has been no change in the rate of smoking among this group. Currently, there are 183,050 adult Medicaid clients aged 18-64 and approximately 66,000 of them are smokers.
- The CT state legislature authorized the Department of Social Services to provide a Medicaid benefit for smoking cessation in 2002, but it has never been funded. Connecticut remains one of only three states in the U.S. that do not cover any smoking cessation treatments for Medicaid clients beyond the new federal requirement for pregnant women that took effect on October 1, 2010.
- Voices for Children reported that pregnant Connecticut women on Medicaid (HUSKY A and fee-for-service) were more likely to smoke than all other pregnant mothers giving birth in 2005. Among Medicaid mothers, 15.5% of HUSKYA mothers and 6.5% of fee-for-service mothers smoked compared to 2.7% of all other mothers who smoked. Successful treatment of tobacco dependence can achieve a 20% reduction in low birth weight babies, a 17% decrease in preterm births, and an average increase in birth weight of 28 grams. According to the American College of Obstetricians and Gynecologists, a woman is more likely to quit smoking during pregnancy than at any other time in her life.
- Under the federal Affordable Care Act, all states are required to cover counseling and medications for smoking cessation for pregnant women in their Medicaid programs. Massachusetts reported 17% fewer claims for adverse maternal birth complications since their benefit were implemented; claims fell from 31.1 to 25.7 per 1,000 benefit users.

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- The Affordable Care Act also provides all Medicare beneficiaries and federal employees comprehensive tobacco cessation services.
- Medicaid cessation is a proven success. Massachusetts offers a Medicaid cessation benefit that includes all FDA-approved medications to quit smoking and behavioral counseling. A recent study of the benefit reported that 40% of smokers in Medicaid took advantage of the services (75,000 people). Over the two-year study period, 33,000 smokers quit. In addition, the yearly rate of hospital admissions for heart attacks fell by 46% for Medicaid clients and 49% fewer of them were hospitalized for other coronary complications.
- The projected number of reduced hospitalizations in the first two years after using tobacco cessation medications was calculated. Average cost of hospitalization were derived from tables developed by the Healthcare Utilization Project and are based on national figures. The average hospitalization costs are \$54,412 for heart attack and \$48,692 for coronary atherosclerosis. The total savings was calculated as \$10,153,077.
- Smoking Cessation Programs are effective. According to the DHHS Clinical Practice Guidelines, (2008), 27.6 % of smokers who receive both counseling and medications are able to quit. There are currently 183,050 adult Medicaid clients aged 18-64 (DSS 2/10) of whom an estimated 65,898 (36%) are smokers. If 25% of them used the smoking cessation benefit, there would be about 4,547 fewer Medicaid smokers each year, based on this quit rate. If the program was as successful as the Mass Health program and reached 40% the estimate is 7,275 fewer smokers.
- Connecticut brought in more than \$380 million in the last fiscal year from the \$3 a pack cigarette tax. The state has also received over one billion dollars from the Tobacco Master Settlement Agreement. A small percentage of these funds would easily cover cessation treatments.
- The American Legacy Foundation estimated that within five years, Connecticut would see annual Medicaid savings of \$91 million (2005 dollars) with a 50 percent decrease in smoking rates, and \$18 million (2005 dollars) annually in Medicaid savings with a ten percent reduction in smoking.

Patricia J. Checko

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Chairman

American Cancer Society

American Heart Association

American Lung Association of New England

Be Life

Birmingham Group Health Services, Inc.

Campaign for Tobacco-Free Kids

Capitol Area Substance Abuse Council

Catholic Charities

Central Naugatuck Valley Regional Action Council	Life Changes, LLC
Community Health Center Association of CT	Lower Fairfield County Communities in Action
Connecticut Association of Directors of Health, Inc.	March of Dimes
Connecticut Mental Health Affiliates, Inc.	Meriden and Wallingford Substance Abuse Council
Connecticut Nurses' Association	Middlesex County Substance Abuse Council
Connecticut Public Health Association	National Association of Social Workers
CT Association of Public Health Nurses	Northeast Communities Against Substance Abuse
CT Chapter of the American Academy of Pediatrics	State of Black CT Alliance
CT Oral Health Initiative	Substance Abuse Action Council
CT Society for Respiratory Care	The CT Cancer Partnership
East of the River Action for Substance Abuse Elimination	The Smoking Cessation Supports Initiative
Fair Haven Community Health Center	Valley Substance Abuse Action Council
Housatonic Valley Coalition Against Substance Abuse	VNA Health Systems/VNA of South Central CT
Ledgelight Health District	